



FISCAL MEMORANDUM

SB 214 - HB 1452

February 14, 2023

SUMMARY OF BILL AS AMENDED (003692): Exempts the following from inspection and certification requirements:

- Unfired pressure vessels contained within an autoclave;
- Miniature boilers that are integrated as components of medical devices regulated by the United States Food and Drug Administration.

Deletes all language added by Public Chapter 680 of 2022, thereby removing exemptions for inspection and clearance requirements for certain autoclaves.

FISCAL IMPACT OF BILL AS AMENDED:

Decrease State Revenue - \$4,000/FY23-24 and Subsequent Years/DLWD

Assumptions for the bill as amended:

- The Board of Boiler Rules, under the Department of Labor and Workforce Development (DLWD), is responsible for formulating definitions, rules, and regulations for the safe and proper construction, installation, repair, use, and operation of boilers in this state.
- Based on information provided by the DLWD, this legislation will exempt approximately 50 unfired pressure vessels and 50 miniature boilers.
- The certification fee for an unfired pressure vessel is \$60 and is valid for two years and \$50 for power boilers, valid for one year.
- Certification fee revenue is kept by the state.
- A recurring decrease in state revenue in FY23-24 and subsequent years will be \$4,000 [(50 unfired pressure vessels x \$60 / 2 years) + (50 power boilers x \$50)].
- Pursuant to Tenn. Code Ann. § 68-122-116, fees constitute expendable receipts of the DLWD.
- Public Chapter 680 of 2022 exempted a certain autoclave from meeting certain clearance requirements, as well as exempting such autoclaves from inspection requirements.
- This legislation will remove all language of Public Chapter 680; therefore, affected autoclaves will now be required to meet such clearance and inspection requirements.
- All inspection fee revenue is kept by the inspector, whether public or private; therefore, removing all language of Public Chapter 680, as well as removing specified autoclaves and miniature boilers from inspection requirements will have no impact on state revenue.

IMPACT TO COMMERCE OF BILL AS AMENDED:

Decrease Business Expenditures - \$4,000/FY23-24 and Subsequent Years

Assumptions:

- This legislation will result in a decrease in expenditures of \$4,000 for individuals or businesses that own or operate a boiler that will be exempted by this legislation.
- Removing language added by Public Chapter 680 will require one autoclave to undergo inspection.
- Pursuant to Tennessee Code Annotated § 68-122-113(d), the fee for a biennial inspection of a low-pressure boiler is \$30, or annualized, \$15 per year (\$30 / 2 years).
- This inspection fee revenue would likely go to a private boiler inspector; therefore, the net impact to businesses in this state is considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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